

# SuperStream

## *The new superannuation payment obligations for all employers*

As an employer you may have already received a flyer from the ATO regarding “SuperStream”. We hope that the following information will further assist you in understanding the new obligations.

The Federal Government has introduced a new system for making Superannuation Guarantee contributions called SuperStream. As part of the new SuperStream obligations, **all** employers will need to make Superannuation Guarantee (SG) contributions on behalf of employees by submitting data and payments electronically.

- If you're an employer with 20 or more employees, you should already be SuperStream compliant and have the appropriate systems in place.
- If you have less than 20 employees, you need to meet the standards or have the appropriate systems in place by 30 June 2016.
- Please note that the number of employees is based on a 1st July basis and includes seasonal workers as well as full time employees.

## *How SuperStream affects the way you make contributions*

Under SuperStream, employers must provide super contributions to their employees' funds 'electronically'. Electronically is via an acceptable online method (ie. not an email). The method you decide to use for this will depend on the number of employees, the funds you are paying to and the systems you have in place. Some people might use a 'clearing house' others might have a payroll system that is compliant. The contribution payment must also be sent electronically through an online banking system. You can no longer send a cheque in the mail to the fund. The data messages and payments are linked by a payment reference number, which enables reconciliation by the clearing house.

## *What's the point?*

The idea is to ensure that all Australian workers are having the correct super contributions made on their behalf and to make the process more efficient and reliable for employers. Previously employers were paying super for different employees to different funds using many different methods. SuperStream aims to provide employers with consistent, reliable electronic methods for making contributions and sending information to super funds. For employers, especially those with a number of employees, you should find the new system a much easier way to make your contributions. While you'll still be calculating your employee's super payments, by using your payroll or bookkeeping system to do it, you will only have to make one payment to a service provider or clearing house who will make all the payments to the employees' funds for you. If you implement the right system, it should make super payments less time consuming and reduce the chance for errors.



## *What if I'm already making online super payments?*

You might be already paying your employees' super contributions using an online method but these current online systems are not necessarily compliant with the Government's new SuperStream requirements. If you are already using a clearing house, you'll need to check that it is SuperStream compliant.

## *What you need to do*

### **Employers have options for meeting SuperStream – either using :**

1. A software solution (like a payroll or bookkeeping system) that conforms to SuperStream. Be aware you might have to upgrade your payroll software and pay additional set-up and transaction fees.
2. A service provider (like a payroll company or outsourcer) or your accountant who can arrange SuperStream compliance on your behalf.
3. A Clearing House - Clearing Houses enable you to pay all of your employees' super electronically to your default fund and other funds in one transaction and should comply with all the required SuperStream obligations.
  - For example AustralianSuper, Austsafe Super and a number of industry funds are offering access to 'QuickSuper' – a Westpac bank superannuation gateway solution that is SuperStream compliant and can pay out super for all your employees (regardless of which fund they are with). These are usually offered free-of-charge through your default fund.
  - Most major banks will also have a Clearing House available for use. For example, NAB offer their own Clearing House called NAB Superpay. Be aware that there may be additional charges for set-up and transactions.
  - Employers with 19 or fewer employees can use the free Small Business Superannuation Clearing House:  
<https://www.ato.gov.au/Business/Employers-super/In-detail/Small-Business-Superannuation-Clearing-House/Using-the-small-business-superannuation-clearing-house/>



## *Collecting information*

You will need to collect and store additional information about funds in order to send them contributions in accordance with the SuperStream standard.

This includes the following new information:

<b>New information required</b>	<b>Fund type</b>
<b>Fund's ABN</b>	All funds
<b>Unique superannuation identifier (USI)</b>	APRA-regulated funds only*
<b>Bank account details</b>	SMSFs*
<b>Electronic service address (ESA)</b>	SMSFs*
<b>Employee tax file number (TFN)</b>	All funds

\* Note: Service providers and default funds can provide this information on your behalf for APRA-regulated fund contributions. Any employees with SMSF's should have the relevant details ready to provide to you.

## *Where do I start?*

- **Check out the ATO's advice** – The ATO have provided a full step by step guide at [www.ato.gov.au/SuperStreamChecklist](http://www.ato.gov.au/SuperStreamChecklist)
- **Talk to your accountant** – BMO is working with our clients to help them implement a SuperStream compliant system solution that is best for your business and best suited to your circumstances.
- **Contact your default fund** – Every employer should have selected a 'MySuper authorised' fund that is the default fund for those employees who do not choose their own fund. If you have been happy dealing with this fund, contact them and find out if they have an electronic channel in place that they manage or can make transitional arrangements for you under the SuperStream requirements.
- **Contact your bank** – A number of the banks are providing good information and access to online clearing houses for all size businesses. For example NAB is offering a service called SuperPay. Contact your bank to find out what services they can offer.

## *Don't wait!*

If you have 20 or more employees you should already be implementing your system. Businesses could risk being penalised if they don't have it in place in time.

For those with less than 20 employees, get started now too! You are to be using this method by 1 July 2016 – so the sooner you get your systems up and running the less chance you have of facing penalties.

## *Give us a call*

If you have any queries regarding this new system, please do not hesitate to contact our Human Resource and Payroll Division on 07 4662 3722.



*Information in the factsheet has been sourced from the Australian Taxation Office.*